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# AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE BUREAU OF AGRICULTURAL ECONOMICS,  
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## BUREAU OF AGRICULTURAL ECONOMICS STUDIES COOPERATIVE MOVEMENT

According to the 1920 Census, approximately 10% of all farms in the United States marketed farm products or purchased farm supplies through cooperative organizations. In 1919 the farm value of commodities marketed and supplies purchased cooperatively, according to census figures, was a little over \$800,000,000. This figure does not take into consideration the value added to the products through the operations of the cooperatives. Even on the basis of census figures, which are below rather than above the actual total, it is safe to say that the total business of cooperative associations in 1919 was well over a billion dollars.

Since that time there has been a steady and in some states a spectacular increase in the number of farmers' cooperative enterprises. Lately a slackening of the movement has been noticed. There has been no decrease, however, in the publicity given to cooperation. Articles on the subject may be seen in almost any leading magazine, and the general public, even that part of it whose interests are far removed from agriculture, regard it as a panacea for many of the farmer's ills. These cooperative organizations range in form from voluntary, unincorporated live-stock shipping associations, to the strongly organized cotton, fruit and milk associations.

The cooperative movement has been studied by this Bureau for the past ten years. Lately these studies have been organized in a way which is expected to make them of more value, and the information compiled more directly and promptly available.

First of all, statistical and historical data are being collected and compiled regarding cooperative associations in the United States and in foreign countries. This information includes the essential facts regarding the structure and operating methods of the various organizations. It tells, for example, whether they are organized with capital stock, or as membership associations, whether all members are producers, whether dividends are paid on capital stock or whether returns are based on the amount of business done by each member through the organization, also the kind and quantities of commodities handled. This information is being secured to cover a period of years and, naturally, will become increasingly valuable.

These data give a background or skeleton of the cooperative movement which must be filled in by more detailed studies. Such studies have been and are being made of the cooperative movement in

Denmark, Sweden, Russia and other European countries. Studies are also being made in considerable detail of some of the older and more successful cooperative associations in this country, analyzing the principles underlying the organizations and their operating methods in an endeavor to establish general principles which may serve as guide posts to the movement. At the same time studies are being made of some of the failures in cooperation, assembling information and analyzing their shortcomings either in fundamentals of organization or in methods of operation. In other words, it is proposed to set up danger signals where danger exists, and indicate where the road is clear. In this connection studies are also being made of the laws and court decisions affecting cooperative organizations.

This work is carried on in the Division of Agricultural Cooperation. The commodity divisions of the Bureau also are interested in cooperation as one means of marketing the particular commodities with which they may deal. The Cost of Marketing Division studies the cost of marketing farm products through cooperative associations, as well as through private companies, and has been active in promoting the adoption of uniform classification of accounts and uniform records by cooperative organizations.

In these studies the Bureau is concerned first with the efficacy of cooperation as a form of business organization. It must enable the farmer to market his products economically, regularly, and bring him a reasonable percentage of the price the consumers pay, if it is to persist. This refers only to cooperative marketing of farm crops, which is the most important development of cooperation in this country. It is important to remember in this connection that in organizing a cooperative marketing association the farmer is not creating an agency that will automatically solve his marketing problems, nor one that is endowed with any supernatural powers. The organization is nothing more than he and his neighbors working together to do those things which they can accomplish better collectively than as individuals. In moving a product from the farmer's field to the consumer's table certain services must be performed. They can never be performed without cost. Can the farmer perform these services more effectively through his organization, or can they be performed better by private middlemen?

Attention to this problem will enable students of cooperation to escape the error of thinking of cooperative organization as an end in itself. The first essential of successful cooperation is that there must be a definite object in view; the organization must perform a definite service or services. Furthermore, it seems to function more satisfactorily when based on a single commodity, or a group of closely related agricultural commodities. Then it must have sufficient business; it must have good management; and, finally, it must have a loyal, informed membership. There is no magic in cooperation. It is an attempt by the farmer to solve his own problem, and that means that it will succeed only to the extent that he exercises forethought and judgment. This does not mean that a farmer's organization should not employ experts to handle the details of the business, but it does mean that in the long run the movement can not advance any farther than the farmers themselves are able to carry it.



For this reason we all are concerned with cooperation as an educational factor. If the farmers learn through the operation of their cooperative organization something of the economic factors that directly affect them, if they gain in ability to analyze and evaluate these factors, then much may be expected in the way of permanent improvement through cooperation. Cooperation means working together, profiting by mistakes, and becoming stronger through experience. The form of cooperation which will be of permanent value to the farmer is one which he himself controls and which enables him to learn better business methods and gain a better understanding of his problems.

Lloyd S. Tenny.

(Mr. Tenny, Assistant Chief of the Bureau of Agricultural Economics, U. S. Department of Agriculture, is a graduate of the University of Rochester and has had wide experience in both growing and marketing fruit. From 1902 to 1910 he served in the Bureau of Plant Industry as Assistant in Pathology, Assistant Pomologist, and Pomologist. He has been employed in various capacities by commercial and cooperative fruit marketing companies in Florida and New York, also as State Leader of County Agents in New York. He came to this Bureau in 1921 and was appointed Assistant Chief in 1922. He is in charge of the Division of Agricultural Cooperation.)

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#### BABY CHICK BUSINESS AMOUNTED TO \$12,000

Service to its members is a weighty consideration with the Tulare Cooperative Poultry Association, Tulare, Calif. That it was able to hold its own during the financial disturbances and reduced prices of the last two years while aiding its members in their buying and selling, is considered by the management as an excellent showing. Receipts from sales of eggs in 1920 amounted to \$131,421. In 1921 receipts from 302,414 dozen eggs amounted to \$98,289, an average price of 32 1/2¢ per dozen, or one-third less than the average 1920 price. While nearly as many eggs were marketed in 1922 the receipts from this source were \$16,000 less than in the previous year. The baby chick business brought in \$12,048 in 1920, \$9,565 in 1921, and nearly \$12,000 in 1922.

Large quantities of feed, supplies and poultry are handled and overhead expenses are kept at a minimum. The total business conducted in 1920 was \$303,084; in 1921, \$236,261; and in 1922, \$234,000. The overhead expense in 1921 was 5 1/2% and in 1922, 5 3/4%.

The membership numbered 195 on January 1, 1922, a net increase of 10 for the year.

During the month of December, 1922, the association shipped \$6,000 worth of poultry, marketed \$5,000 worth of eggs, and distributed \$6,000 worth of supplies and feed.

QUO WARRANTO PROCEEDINGS INVOLVING MILK PRODUCERS' ASSOCIATION

The case of *People ex rel. Clark v. Milk Producers' Association of Central California, Inc.* (212 Pac. 957), recently decided by the Supreme Court of California, involved a quo warranto proceeding brought to dissolve the association which is a nonprofit, cooperative organization formed under the laws of California. The complaint was filed upon the relation of Carrie A. Clark, a private party, that is to say, she brought the matter to the attention of the Attorney General of the State (acted as informer) and he instituted the proceeding.

It was recited in the complaint that said Carrie A. Clark was a tax payer and one of the consuming public affected by the association's practices, and that as a result she had suffered a pecuniary loss. The trial court did not pass upon the merits of the questions involved, but dismissed the suit on the ground that the action involved could only be instituted or maintained at the instance of the Attorney General without a relator.

The Supreme Court of the State reversed the judgment of the trial court, which resulted in the case being sent back to be disposed of on its merits. In passing upon the specific reason for the dismissal of the action by the trial court, the Supreme Court said: "To hold that such a complaint as was filed in this case should, in effect, be stricken from the files, because it appears that the arm of the law moved as a result of the information obtained, or partly obtained, from a private person, would be to regard form more highly than substance."

Although the Supreme Court did not pass upon the merits of the various propositions on which the action was predicated, it did state: "It certainly is a matter of public concern that a corporation, under the color or guise of a nonprofit concern, is usurping the functions of an ordinary corporation by employing its capital to engage in business for a profit, and is combining with others in the illegal restraint of trade. Such a corporation is not only usurping a franchise in violation of the quasi contract from which it derives its power from the State, but, in violating the law, it is exercising a power which the State denies to all persons. The illegal practices complained of are by the complaint made a feature of the business conducted for a profit -- a kind of business which defendant has no right to engage in."

This case emphasizes the importance of a cooperative association adhering in its operations to the purpose for which it was formed. A final decision on the merits will be awaited with interest.

L. S. Hulbert.

OPINIONS RELATIVE TO COOPERATION IN WISCONSIN AND KENTUCKY

The legality of contracts entered into by members of the Northern Wisconsin Tobacco Pool, Madison, Wis., is upheld in a recent decision by a trial court of the State of Wisconsin. Certain dealers were enjoined from attempting to persuade members to disregard their contracts. The following is taken from the opinion rendered in the case:

"The plaintiff (Northern Wisconsin Tobacco Pool) is entitled to a judgment permanently enjoining said defendants (nine parties named) and each and every one of them, either themselves or through their officers, agents, employees or otherwise from interfering in any manner whatever with the contracts of the plaintiff and from interfering in any manner whatever with the business of the plaintiff and particularly from buying or attempting to buy any tobacco from any persons who have contracted to sell the same to the plaintiff and from receiving or attempting to receive any of the tobacco grown in the year 1922 by any person who is under contract to sell the same to said plaintiff."

Concerning charges made by the defendants that officers of the pool had changed acreage figures in the contracts, the court found that the contracts had not been changed or altered in any way, also that "the contracts were not obtained by fraud or duress or misrepresentation or coercion."

The Dark Tobacco Growers' Association, Hopkinsville, Ky., has recently obtained an injunction restraining one of its members from disposing of tobacco in violation of the terms of his contract. The injunction was issued by the Circuit Court of Christian County, Kentucky.

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ONTARIO UNITED FARMERS TO CLOSE THEIR CHAIN STORES

Announcement is made in the Canadian Cooperator, Brantford, Ont., of January, 1923, that the chain stores, organized and operated by the United Farmers' Cooperative Company at Toronto and other Canadian points, are to be abandoned by the company which has become convinced that cooperation can not be practiced successfully by chain-store methods. The company began operations in 1914, at which time "the leaders of the movement only had in view the opening of a brokerage or order-receiving office in Toronto for carload shipments to farmers' clubs and individual farmers throughout the Province." The chain stores were opened somewhat later and developed an immense business but the results were unsatisfactory. This was attributed by the director to weakness in management. The financial loss for 1921 amounted to \$300,000, and for 1922 to \$56,222. The stores will be closed or disposed of by sale.



ROUMANIAN PEASANTS' TIMBER ASSOCIATION

The Roumanian peasantry of the mountainous districts have long been known for their skill in timber cutting and forest management. Organized in cooperative forestry societies, they have found it possible to undertake on their own account operations of steadily increasing importance. According to the June-July, 1922, issue of the "Correspondence Economique," published in Bucharest, there are various classes of cooperative forestry societies. Some undertake the simple task of supplying their own members with firewood and wood for building purposes; some supply wood to small industries for the making of planks, staves, flails, etc.; others are strictly marketing societies, selling timber products, particularly those supplied by the cooperative forest societies, in the cities; and, finally, there are cooperative labor societies for timber cutting, reforestation, and forest management.

The numerical development of forest societies from 1905 to 1921 was as follows:

Year	: Number of : Cooperative : Forestry : Societies	: Total : Number : of : Members	: Capital : Subscribed : in : Lei
1905	: 1	: 28	: 2,300
1906	: 3	: 118	: 13,226
1907	: 9	: 330	: 49,947
1908	: 32	: 1,260	: 286,849
1909	: 43	: 1,841	: 507,051
1910	: 89	: 4,563	: 901,774
1911	: 123	: 6,879	: 1,183,858
1912	: 149	: 8,405	: 1,510,598
1915	: 221	: 12,287	: .....
1918	: 222	: 12,205	: 2,029,660
1919	: 384	: 23,400	: 8,383,340
1920	: 489	: 29,657	: 11,340,640
1921	: 673	: 41,527	: 20,538,627

The output of these manufacturing cooperative societies in 1921 was 40,000 cubic meters of sawn timber and 200,000 cubic meters of timber in the rough. In 1922 the production of prepared timber was expected to be even greater.

Among the cooperative societies the "Raul Targului" is perhaps the best known. At the end of its third year, in 1921, it numbered 757 members, and had a paid-up capital of 1,447,796 lei. It realized in 1921 a net profit of 2,013,992 lei, of which it distributed to its members 1,053,002 lei as bonuses, which constituted 40% of their wages, and formed a fund for reforestation amounting to 907,818 lei.



FLORIDA CITRUS EXCHANGE BUILT FROM BOTTOM UP

Gross sales amounting to over \$13,000,000 were made by the Florida Citrus Exchange, Tampa, Fla., during the year ending August 31, 1922, according to the annual report of the business manager. Of the total amount nearly \$12,000,000 was remitted to the sub-exchanges for transmittal to the associations to be distributed among the growers as returns for 3,805,942 boxes of fruit.

The sales policy of the exchange is to try to distribute the crop over a wide territory, and the report shows that during the 1922 season one or more carlots of citrus fruit were sold in 354 different markets in the United States and Canada. The preceding season but 286 markets were reached in the carlot distribution. Up to April of the present season carlot sales had been made in 409 markets in 44 of the 48 States.

During the 13 years that the exchange has been functioning it has sold over 30,000,000 boxes of citrus fruit and its total losses because of uncollected accounts are but \$458. In the season of 1921-22 it collected \$93,709.63 on 4,369 railroad and other claims. It paid during the year, telegraph tolls to the amount of \$83,149.97 on 76,968 messages. Its advertising appropriation was approximately \$240,000, which paid for advertisements in 245 daily newspapers, 9 home magazines, and 8 medical and nursing journals, besides paying for demonstration work and booklets for free distribution. The advertising appropriation for the current fiscal year is approximately \$275,000. Funds for advertising are obtained from a charge of 5¢ a box on oranges and 10¢ a box on grapefruit sold under the exchange trade name of "Sealdsweet."

The number of boxes of fruit sold for each of the 13 seasons of operation is indicated in the table below, together with figures showing the gains or losses for each year:

Season	: Number of Boxes	: Index Number	: Percentage of
:	: Shipped	:	: Increase or Decrease
:	:	:	: Over Previous Year
:	:	(1909=100)	:
1909-10	1,482,359	100.	:
1910-11	832,310	56.147	43.850 Decrease
1911-12	741,917	50.049	10.860 "
1912-13	1,780,301	120.099	139.959 Increase
1913-14	1,481,471	99.940	16.785 Decrease
1914-15	1,945,602	131.250	31.329 Increase
1915-16	1,735,422	117.071	10.802 Decrease
1916-17	1,289,934	87.022	25.667 "
1917-18	1,184,711	79.920	8.150 "
1918-19	2,238,084	150.981	88.913 Increase
1919-20	3,770,511	254.358	68.470 "
1920-21	3,905,841	263.438	3.589 "
1921-22	3,805,942	256.749	2.557 Decrease

The Florida Citrus Exchange is a grower-owned and controlled marketing association organized in 1909. Its members are 12 sub-exchanges and 2 special shippers. The sub-exchanges are made up of 81 local associations and 18 special shippers. These 81 locals are the foundation upon which this splendid superstructure is built. Most of the associations and the special shippers own and operate packing houses. The boards of directors for the associations are selected by the growers. These directors, with the special shippers, select the boards of directors for the sub-exchanges, and these directors, in turn, select the board of directors for the Florida Citrus Exchange. Each local association is represented on the board of directors of its sub-exchange, and each sub-exchange is represented on the board of directors of the State exchange.

The State exchange, the sub-exchanges and the associations are all non-capital stock, non-profit organizations. The State exchange, in addition to serving its own members, makes its selling service available to independent associations marketing vegetables.

Two affiliated associations, created by the exchange, are the Exchange Supply Company and the Growers' Loan and Guaranty Company. The former was organized in 1916 for the purpose of purchasing growers' and packing house supplies at wholesale prices. It operates a fertilizer plant and four mills making lumber for fruit boxes. The Loan and Guaranty Company was organized to assist in financing growers.

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#### ARIZONA'S RISE IN CITRUS FRUIT PRODUCTION

Five years ago ten carloads of citrus fruit were shipped from Arizona; this year, up to April 3, the Arizona Citrus Growers' Company, Phoenix, Ariz., had shipped 165 cars, made up of 90 cars of grapefruit, 2 cars of tangerines, and 73 cars of oranges. An additional 25 cars of grapefruit, largely seconds and culls, were shipped to California for canning, and about 10,000 boxes of loose fruit and culls were sold. The matter of building a new packing house is under consideration. Arrangements have been made whereby the Citrus Growers' Company will grade and market watermelons during the coming season for the Union Watermelon Association, also of Phoenix, acting merely as agent. (The Associated Arizona Producer. April 15, 1923).

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#### COOPERATIVE PURE MILK ASSOCIATION ISSUES PERIODICAL

A new publication, entitled The Dairyman's Monthly Review, appeared April, 1923, as the official organ of the Cooperative Pure Milk Association, Cincinnati, Ohio. This organization began operations January 1, 1923, as a distributor of milk in Cincinnati and northern Kentucky cities. It is handling milk for 2,100 farmers and has a steadily increasing business. The new sheet is a 16-page monthly.

OVER SEVEN MILLION DOLLARS PAID TO PATRONS

The annual report of the Barron Cooperative Creamery, Barron, Wis., reputed to be the largest in the State, shows that it has paid its patrons over \$7,000,000 for butter fat since its organization in 1902. Annual disbursements to patrons have grown steadily from a little over \$13,000 in 1902 to over \$900,000 in 1922. The amount of butter made annually has increased during the same period from 70,416 pounds to over 2,500,000 pounds. The following table gives the butter sales and the amount paid to patrons for butter fat during the 21 years of the organization's existence:

Year :	Lbs. Butter : Made	: Amount Rec'd : for Butter	: Paid Patrons : : for Butter Fat:	Percentage of Returns Paid for Butter Fat
1902 :	70,416	: \$ 14,593	: \$ 13,383	: 91.7
1903 :	166,081	: 34,193	: 30,938	: 90.4
1904 :	320,149	: 62,807	: 54,511	: 86.7
1905 :	509,925	: 109,649	: 97,656	: 89.0
1906 :	668,256	: 148,880	: 134,435	: 90.5
1907 :	679,448	: 174,070	: 157,517	: 90.4
1908 :	642,697	: 157,240	: 140,505	: 89.3
1909 :	637,610	: 173,256	: 158,182	: 91.2
1910 :	634,233	: 177,485	: 163,491	: 92.1
1911 :	665,348	: 167,943	: 152,962	: 91.0
1912 :	666,556	: 229,832	: 212,238	: 92.5
1913 :	993,069	: 282,943	: 260,244	: 91.9
1914 :	1,112,380	: 313,755	: 295,031	: 92.5
1915 :	1,519,200	: 364,203	: 334,601	: 91.8
1916 :	1,398,820	: 445,180	: 417,447	: 93.7
1917 :	1,351,786	: 552,477	: 524,472	: 94.9
1918 :	1,501,154	: 718,236	: 673,708	: 93.8
1919 :	1,623,562	: 930,834	: 835,750	: 95.1
1920 :	1,805,694	: 1,044,617	: 977,550	: 95.5
1921 :	2,187,765	: 869,075	: 767,639	: 90.6
1922 :	2,507,309	: 970,626	: 907,343	: 93.5
Total	21,461,463	: \$ 7,947,465	: \$ 7,380,112	:

In addition to its sales of butter the creamery has a miscellaneous income from the sale of buttermilk, meal and supplies. Its income from these sources amounted to over \$11,000 in 1921 and more than \$21,000 in 1922. This additional income serves to increase the percentage paid to patrons and, in consequence, the table does not show the actual expense of operating the creamery. In 1921 the operating expense was approximately 9.3% of the total receipts, and in 1922 approximately 7.2% of total receipts. The largest item during both years was the cost of hauling cream from the farms to the factory, which was roughly one-third of the total expense.



The Barron Cooperative Creamery is organized as a farmers' co-operative association with capital stock. The manager reports that all stockholders were originally farmers and patrons, but some have sold their farms in the meantime. The creamery pays the same price to non-stockholders as to stockholders, and all share alike the expenses of operating the creamery. Stockholders, however, receive a "dividend" of one mill per pound on butter fat which they themselves furnish. The total amount paid for dividends and interest during each of the years 1921 and 1922, was less than \$1,000. Non-stockholders have no vote in the election of officers, but are invited to attend stockholders' meetings and make suggestions as to the management of the business.

The creamery hauls all cream from the farms to the plant and all patrons receive the same price for butter fat irrespective of the distance from the farms to the creamery. Cream grading was begun in the spring of 1920. In 1921 it was decided to reject all sour cream and at the present time butter is made only from sweet cream. Almost the entire output of the creamery since it began operations has been sold to one firm in Buffalo, N. Y.

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#### AGRICULTURAL COOPERATION IN GERMANY

The agricultural cooperative movement made considerable progress during the last three years. The new societies established in 1922 numbered 2,780 (3,002 in 1921), while 574 societies were dissolved (529 in 1921), so that the actual increase was 2,206, viz, 3 central societies, 388 savings and loan banks, 351 supply and sale societies, 43 cooperative dairies, and 1,421 societies of various kinds. There were on January 1, of each of four years, according to the official organ of the International Cooperative Alliance, the following societies:

	: 1920	: 1921	: 1922	: 1923
Central Societies	: 94	: 87	: 94	: 97
Savings and Loan Banks	: 18,576	: 18,576	: 19,030	: 19,418
Supply and Sale Societies	: 3,613	: 3,911	: 4,249	: 4,600
Cooperative Dairies	: 3,517	: 3,313	: 3,367	: 3,410
Other Societies	: 5,902	: 6,631	: 8,271	: 9,692
Total	: 31,702	: 32,533	: 35,011	: 37,217

Of the societies registered in Germany, 21,039 were affiliated to the Imperial Union of German Agricultural Societies in 1920; 21,576 in 1921; 22,552 in 1922; and 23,529 in the beginning of 1923. Of the 23,529 societies, 72 were central societies, 12,335 savings and loan banks, 3,241 supply and sale societies, 2,213 cooperative dairies, and 5,660 societies of various kinds. About 96% of the agricultural societies are federated in central cooperative organizations.



PLAN OF ORGANIZATION FOR LOCAL UNITS OF TOBACCO ASSOCIATION

Organization of its 30,000 members into county and community associations, is the method by which the Tobacco Growers' Cooperative Association, Raleigh, N.C., proposes to keep in touch with the members and know what they are doing, as well as to keep them informed on all questions of production and marketing. Plans provide for organization into a local association of all members residing in one school district. Each local is expected to meet at regular intervals and is advised by the central office to meet once a week prior to and during delivery of the crop, in order that any problems and difficulties may be discussed. The headquarters office provides the secretary of each local unit with a book containing instructions for the conduct of meetings, including a suggested order of business and suggestions for parliamentary practice, also forms for keeping a record of attendance at each meeting, and for keeping the minutes of each meeting. An extra sheet is provided for making a carbon copy of such minutes, which carbon copy is to be sent promptly to headquarters where it will be carefully read and the matters receiving attention at the meeting will be noted. A "Letter to Locals," carrying late news of interest to growers, and designed to be read and discussed at meetings, is issued at frequent intervals.

The county unit consists of the chairmen of the community locals in that county and, in addition, one elected delegate for each unit of ten members or majority fraction thereof in the local. The chairman of the local is a permanent member of the county organization during his term of office. The elected delegates change with every meeting of the county unit, so that every member of the local is a delegate to the county organization at least once a year.

One rule provides that no political speeches are to be allowed under the auspices of these organizations.

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THREE STATES SELL 34.6% OF TOBACCO COOPERATIVELY

Figures compiled by the Tobacco Growers' Cooperative Association, Raleigh, N. C., show that up to April 1 of the current season South Carolina had pooled 15,385,527 pounds of tobacco from a crop of 42,386,775 pounds, or 36.1%; North Carolina had sold 265,512,897 pounds, of which 64,940,000 pounds, or 24 1/2% was pooled; Virginia had pooled 82,109,149 pounds to April 1, and sold 78,806,393 pounds at auction, making 51% pooled. The total pooled for the three States up to April 1 was 162,432,662 pounds, or 34.6% of the crop. This is considerably less than the amount signed up. Reasons assigned by the association for failure to deliver tobacco are crop liens and lack of faith in the organization. Contract breakers are given an opportunity to settle with the association without recourse to law, and more than \$30,000 has been collected in liquidated damages.

MILK MARKETING COMPANY REPORTS RETURNS TO PRODUCERS

Figures showing the business activities of the Milk Producers' Marketing Company, Chicago, Ill., are available for the months of January and February. Two pools are conducted, a fluid-milk pool and a condensed-milk pool. Prices received for fluid milk vary according to whether the milk is marketed through plants operated by the company, is sold to dealers by the can or hundred weight, or is used as sweet cream or for the manufacture of butter.

In January a total of 6,043,773 pounds of milk was handled in the fluid-milk pool, and yielded \$137,258.34, or an average of \$2.2711 per cwt. The various expenses and charges incidental to the operation of the company amounted to \$.1711 per cwt., thus leaving \$2.10 per cwt. for distribution to the producers. In February a slightly larger quantity of milk was handled, but the prices were not so good, and the returns to the producers were made on the basis of \$2.07 per cwt.

A total of 5,418,592 pounds of milk was handled in the condensed-milk pool in January, and the return to the producers was \$2.10 per cwt. In February a somewhat smaller quantity of milk went into the condensed-milk pool, and the returns were not quite so good. However, the deductions were less and the returns amounted to \$2.10 per cwt., or three cents more than was returned to those contributing to the fluid-milk pool.

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REPRESENTATIVES OF COTTON COOPERATIVES MEET AT LITTLE ROCK

At a recent meeting of the executive committee of the American Cotton Growers' Exchange, held at Little Rock, Ark., it was decided to create a new department within the Exchange for the collection of statistics concerning cotton. The office of the statistical department is to be located with the sales office of the Exchange at Atlanta, Ga., and possibly a branch office will be established in Washington, D. C.

At the same time the office managers of the several State cotton associations met at Little Rock and worked upon details of a uniform system of accounting for the eleven State associations.

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ARKANSAS COTTON GROWERS HAVE RECEIVED \$119 A BALE

Members of the Arkansas Cotton Growers' Cooperative Association, Little Rock, Ark., have now received approximately \$119 a bale for their 1922 cotton, and the final distribution, still to be made, is expected to average an additional \$15 a bale. The fifth distribution, made on April 4, brought the total amount paid to members this season up to \$7,915,126.34. An itemized statement of the business for the season is to accompany the final payment, showing the pools into which the member's cotton went, the average price received for each pool, the gross proceeds, and the expenses of the association.

STATISTICS RELATIVE TO SIZE OF COOPERATIVES

Data furnished to the United States Department of Agriculture by 4,925 farmers' buying and selling associations have been grouped according to the volume of business for each association for the year 1921. The number of associations in the several groups, the percentage which each group formed of the total, and the accumulated per cent for the different groups, are as follows:

Amount of Business 1921	: Number of : Associations	: Per Cent of : Total Assns.	: Accumulated : Per Cent
Under \$10,000	: 427	: 8.67	: 8.67
\$ 10,000 - 30,000	: 710	: 14.42	: 23.09
31,000 - 50,000	: 590	: 11.98	: 35.07
51,000 - 70,000	: 402	: 8.16	: 43.23
71,000 - 100,000	: 764	: 15.51	: 58.74
101,000 - 200,000	: 1,146	: 23.27	: 82.01
201,000 - 300,000	: 417	: 8.47	: 90.48
301,000 - 500,000	: 282	: 5.73	: 96.21
501,000 - 1,000,000	: 117	: 2.37	: 98.58
1,001,000 - 5,000,000	: 61	: 1.24	: 99.82
5,001,000 - 10,000,000	: 6	: .12	: 99.94
Over 10,000,000	: 3	: .06	: 100.00
Total	: 4,925	: 100.00	:

Over 42% of the associations reporting were in the West North Central States and over 29% in the East North Central States. The total number of associations arranged according to geographic divisions, as well as volume of business, is as indicated below:

Amount of Business 1921		Number of Associations by Geographic Divisions										Total
		New Eng-land:	Mid-Atlantic:	East North-Cent.:	West North-Cent.:	South-Atlantic:	East South-Cent.:	West South-Cent.:	Mountain:	Pacific:		
(000 omitted):		:	:	:	:	:	:	:	:	:	:	
Under \$10	:	15:	64:	111:	72:	44:	40:	50:	21:	10:	427	
\$ 10 - 30:	:	40:	51:	215:	220:	40:	36:	51:	24:	33:	710	
31 - 50:	:	17:	15:	199:	247:	15:	26:	25:	19:	27:	590	
51 - 70:	:	13:	15:	120:	209:	9:	6:	3:	13:	14:	402	
71 - 100:	:	12:	18:	230:	394:	10:	8:	19:	33:	40:	764	
101 - 200:	:	21:	14:	336:	589:	23:	11:	34:	37:	81:	1146	
201 - 300:	:	5:	6:	124:	189:	3:	3:	13:	13:	51:	417	
301 - 500:	:	5:	10:	70:	117:	5:	4:	14:	11:	46:	282	
501 - 1000:	:	1:	2:	20:	32:	6:	1:	3:	4:	48:	117	
1001 - 5000:	:	0:	3:	4:	3:	6:	0:	4:	0:	41:	61	
5001 -10000:	:	0:	0:	0:	0:	2:	0:	1:	0:	3:	6	
Over 10000:	:	0:	0:	0:	0:	0:	0:	0:	0:	3:	3	
Total	:	129:	198:	1429:	2072:	163:	140:	217:	175:	397:	4925	



It will be noted by the first table that over 23% of the total number of associations reported business for 1921 ranging from \$100,000 to \$200,000, and over 15% reported annual business between \$70,000 and \$100,000. Over 82% of all the associations reported their annual business as amounting to figures not exceeding \$200,000, and over 90% of the associations reporting did business in 1921 not to exceed \$300,000 each.

The figures given in the second table, arranged as percentages of the total number of associations reporting for each geographic group, give the following:

Amount of :		Percentage of Associations in Each Money Group									
Business :		New	Mid.	East	West	South	East	West	Moun-	Pacific	
1921 :		Eng-	Atlan-	North	North	Atlan-	South	South	tain	:	
		land	tic	Cent.	Cent.	tic	Cent	Cent.	:	:	
(000 omitted):		:	:	:	:	:	:	:	:	:	:
Under \$10	:	11.6:	32.3:	7.8:	3.5:	26.2:	26.7:	23.0:	12.0:	2.5	
\$ 10 - 30:		31.0:	25.7:	15.0:	10.6:	23.8:	24.0:	23.5:	13.7:	8.3	
31 - 50:		13.2:	7.6:	13.9:	11.9:	8.9:	17.3:	11.5:	10.9:	6.8	
51 - 70:		10.1:	7.6:	8.4:	10.1:	5.4:	4.0:	1.4:	7.4:	3.5	
71 - 100:		9.3:	9.1:	16.1:	19.0:	5.9:	5.3:	8.8:	18.9:	10.1	
101 - 200:		16.3:	7.1:	23.5:	28.4:	13.7:	7.3:	15.7:	21.1:	20.4	
201 - 300:		3.9:	3.0:	8.7:	9.1:	4.8:	12.0:	6.0:	7.4:	12.8	
301 - 500:		3.9:	5.1:	4.9:	5.7:	2.9:	2.7:	6.4:	6.3:	11.6	
501 - 1000:		.7:	1.0:	1.4:	1.6:	3.6:	.7:	1.4:	2.3:	12.1	
1001 - 5000:		.0:	1.5:	.3:	.1:	3.6:	.0:	1.8:	.0:	10.3	
5001 - 10000:		.0:	.0:	.0:	.0:	1.2:	.0:	.5:	.0:	.8	
Over 10000:		.0:	.0:	.0:	.0:	.0:	.0:	.0:	.0:	.8	
Total	:	100.0:	100.0:	100.0:	100.0:	100.0:	100.0:	100.0:	100.0:	100.0	

Over 60% of the associations doing an annual business of a million dollars or more are located in the Pacific Coast States. Furthermore, the number of Pacific Coast State associations doing an annual business of a million dollars or more is nearly 12% of all the associations in those states, which is a much larger percentage than that for any other group of states.

The above tables are based on reports for the year 1921, and do not include the large commodity organizations which have begun operations during the past year and a half.

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#### NEW YORK SHEEP GROWERS HAVE TWO WOOL POOLS

More than 50,000 pounds of wool was received by the New York State Sheep Growers' Cooperative Association, Inc., Syracuse, N. Y., in its early wool pool which closed March 31. This is to be graded and sold promptly. Wool for the regular pool is expected to begin to arrive about May 15 and a large quantity is anticipated.



ARTISTIC TOUCHES WILL COST TEN THOUSAND DOLLARS

Ten thousand dollars for beauty is included in the program of the Lakeland Citrus Growers' Association, Lakeland, Fla. The wooden packing house built when the association was organized in 1909 has been outgrown; a site overlooking Lake Mirror has been purchased at a cost of \$25,500, and plans have been accepted for a beautiful tile building in the Spanish type of architecture with towers and large arched windows. The building will be buff with white trimmings and the grounds will be set with palms and other trees. It is estimated that the various artistic features will increase the cost by \$10,000.

The building will be 140 feet wide and 100 feet deep. The washing and drying machines will be located on the ground floor and the sizing machines on the second floor. Above the front entrance will be the manager's office and above that a directors' room, 20 by 40 feet in size. The new plant will have a daily capacity of from six to eight cars of oranges and grapefruit.

Money for the erection of the building has already been obtained by the sale in New York City of bonds to the amount of \$50,000. These bonds sold at 95; they draw 8½ interest, and are payable in amounts of \$5,000 after the third year. The reason given for the sale of bonds in New York instead of Lakeland was to get \$50,000 additional capital into the community.

The Lakeland association has a membership of 140. In the 1921-22 season it shipped 173 cars, and this season's shipments are expected to run over 200 cars.

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PLANS FOR A NATIONAL DAIRY SALES AGENCY FORMULATED

Plans for a nonprofit, cooperative sales agency for dairy marketing associations have been submitted to and approved by organizations in Minnesota, Iowa, Wisconsin, Illinois, Indiana and Ohio. The plans were formulated by the Committee of Nine appointed by the American Farm Bureau Federation. This committee has been enlarged into a Committee of Twelve and instructed to act as an organization committee in developing the new sales agency.

According to the plans, cooperative creameries and cheese factories are to be federated into district and state groups, which groups will become members of the central agency. Pooling milk-marketing associations may also become members and market their surplus products through the central agency in the form of evaporated and condensed milk, butter, cheese and cream.

It is proposed that products be standardized, graded and pooled within each State. It is believed that standardization, the creation of national brands, and the advertisement of these brands, is the big task before the organization.

The expenses of the national agency will be met by small deductions from selling price. The plans provide for limited dividends on capital stock and a deduction of one per cent for a reserve fund.

### COTTON CLASSING SCHOOLS HELD IN ARKANSAS AND OKLAHOMA

A series of courses to teach cotton classing has been planned by the Arkansas Cotton Growers' Cooperative Association. The first course for the current year started April 23 at the offices of the association in Little Rock, with 22 students in attendance. The second course will begin May 21. It is announced that courses will be given throughout the summer, that they will be free and open to all cotton growers who sign an agreement to observe the schedule of classes for the two weeks which each course covers.

The Oklahoma Cotton Growers' Association, Oklahoma City, Okla., is conducting a series of two and three day schools at points in the cotton-growing sections to acquaint the farmers with the actual quality value of their crop, to demonstrate grading methods, and to point out some of the reasons for lowered value. Arrangements have been made for more than forty of these schools, the first of which began March 23. One of the first schools held was attended by more than one hundred persons, including bankers and business men. The leaders assert that no attempt is being made to teach growers to be expert classers, but simply to give them a practical, understandable demonstration of the methods used to determine what their cotton is actually worth.

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### MINNESOTA POTATO GROWERS ORGANIZING FOR GREATER ACTIVITY

A campaign has been started in Minnesota to create a strong association for the marketing of white potatoes. Committees have been appointed to direct the campaign and a credit of \$10,000 has been arranged to cover initial expenses. A. M. Dunton, General Manager of the Minnesota Potato Exchange, has been selected as secretary of the finance committee of the organization created to conduct the campaign, and field work has been started in eleven counties. Conferences have been held with the officers of the Wisconsin Cooperative Potato Exchange and the Michigan Potato Growers' Exchange to consider the development of a region-wide policy regarding the cooperative marketing of potatoes.

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### EIGHT THOUSAND DOLLARS TO BE DISTRIBUTED IN PATRONAGE DIVIDENDS

The sum of \$8,000 is to be distributed in patronage dividends by the Michigan Elevator Exchange, Lansing, Mich., on the business transacted during the year ending April 1, 1923. Grain, beans and hay are the commodities handled. The distribution will be figured on the number of cars shipped, and where goods were sold direct and sales reported, such sales are to be figured in the totals.